

City of Detroit

CITY COUNCIL

LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: April 29, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division. The items are submitted to the City Council for referral to the Committees on April 29, 2014.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachments

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on April 29, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Airport	1	0	1 Renewal	0
Elections	1	0	1 Extension	0
General Services	1	0	1 Renewal	0
Municipal Parking	1	0	1 Extension	1
Public Lighting 1 Emergency Procurement	2	0	0	2
Public Works	1	0	0	1
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Totals 1 Emergency Procurement	7	0 Detroit-Based Business Bids	2 Extensions 2 Renewals	4

The Honorable City Council
Contracts and Purchase Orders, Statistics
Items Submitted for April 29, 2014

Page 2

This list represents appropriations totaling approximately \$ 1,161,950.13¹

Included in the total costs are the following:

City General Fund	\$	539,767.51
Airport Funds	\$	21,402.00
Street Funds	\$	600,780.62

¹ This list includes: Contracts renewed / extended for 6 months and 1 year, New contract for approx. 5 years, and New contracts for one-time payment for goods and services; and for Emergency Services.

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: April 28, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED
AT THE FORMAL SESSION OF APRIL 29, 2014**

AIRPORT

2878054 100% City Funding – To Provide Insurance Liability for Coleman A. Young Municipal Airport – Company: Avsurance Corporation, Location: 47 West Ellsworth Road, Ann Arbor, MI 48108 – Contract Period: April 20, 2014 through April 20, 2015 – Contract Amount: \$21,402.00/YR

Renewal of Existing Contract – Original Contract expired April 20, 2014

Costs budgeted to Airport Operation and Maintenance Fund, Acct. 5002-100010-000013-626300-00223-0-A3560, Appropriation for Airport Operations includes available funding of \$2,585,672 as of April 25, 2014.

This request is for the renewal of the insurance agreement for Comprehensive Airport General Liability and Ground Hangar Keepers Liability Insurance. Coverage indicated to include up to a limit of \$200,000,000 per occurrence, \$100,000,000 liability per aircraft and occurrence for hangarkeepers legal liability; up to \$1,000,000 for any 1 fire. The deductible is 0. The insurance underwriter is AIG Aviation.

This insurance coverage was initially awarded in April 2013 to Avsurance, following an analysis of 3 bids received; the contract was awarded to the Lowest bid from Avsurance for \$22,902 for 1 year. This was awarded as an Informal contract, less than \$25,000, which does not require approval of the City Council.

The renewal for \$21,402 represents a reduction in the premium of \$1,500 or 6.5%.

Contract checklist, dated April 14, 2014, indicates this contract renewal is essential to the Airport operation, to provide insurance.

Covenant of Equal Opportunity Affidavit signed 3-25-13; TAXES: Good Through 4-22-15 and 12-30-14; Hiring Policy Compliance Affidavit signed 3-2-13, employment application not available, online only; Slavery Era Records Disclosure Affidavit signed 3-25-13, indicating business established 1991, no records to disclose.

The previous contract for Liability Insurance for the Airport provided through Long Insurance Services (Contract 2793695) initially approved in May 2009 for \$60,315.55 for 1 year, for coverage of \$200,000,000. This contract was renewed in 2010 for \$58,012; renewed in 2011 for \$36,844 (coverage reduced to \$100,000,000); renewed in 2012 for \$36,476 (coverage limited at \$100,000,000).

Avsurance provides a significant savings at \$21,402/yr, for coverage of \$200,000,000.

MUNICIPAL PARKING

2869879 100% City Funding – To Provide Towing and Boot Services – Company: Pickup and Run Auto Recovery LLC, Location: 8616 Evergreen Road, Detroit, MI 48228 – Contract Period: November 1, 2013 through September 30, 2014 with an Additional One (1) Year Option – Increase Amount: \$66,650.00 – Contract Amount: \$116,650.00
Amendment for Extension of Time and Funds. Original Contract Period: November 12, 2012 through October 31, 2013.
Original Amount: \$50,000.00

Costs budgeted to General Fund, Acct. 1000-340080-000144-617900-00102-0-A3570, Appropriation for Parking Violations Bureau includes available funding of \$2,335,317 as of April 25, 2014.

This request is for an Amendment to the contract approved for the Boot and Tow program, to extend the contract an additional year, from Nov. 1, 2013 through October 31, 2014 (*expiration date indicated – September 30, 2014 – is incorrect*); the services provided for the same cost of \$50 per tow; the total contract cost is increased by \$66,650 to a Total of \$116,650. The contract retains an option to renew 1 additional year.

This contract was approved November 13, 2012 to provide towing services for 1 year, Nov. 1, 2012 through October 31, 2013, for a cost of \$50 per tow, to provide an estimated 1,000 tows during the year, for a total cost of \$50,000. The contract includes an option to renew 1 additional year.

This contract was 1 of 3 contracts recommended and approved. The other 2 contracts were: Bobby's Towing (No. 2869882) for \$50 per tow and a total of \$100,000 for the term from December 1, 2012 through November 30, 2013; Breakthrough Towing (Contract 2869860) for \$45 per tow, up to a total cost of \$50,000 for the 1-year term from Dec. 1, 2012 through November 30, 2013.

Towers required to provide services from 7 AM to 10 PM; towers required to respond within 30 minutes from the point of dispatch.

Contract checklist, dated Jan. 15, 2014, indicates this contract amendment is essential to enable vehicles booted by Municipal Parking, to be towed to a City Impound facility.

Covenant of Equal Opportunity Affidavit signed 12-18-13; TAXES: Good Through 12-17-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 12-18-13, employment application complies; Slavery Era Records Disclosure Affidavit signed 12-18-13, indicating business established 2008, no records to disclose.

DEPARTMENT of PUBLIC WORKS

2884711 100% City (Street) Funding – To Provide Construction Engineering and Inspection Services for Five (5) MDOT Projects – Company: Parsons Brinckerhoff Michigan, Inc., Location: 500 Griswold St., Suite 2900, Detroit, MI 48226-5001 – Contract Period: Upon City Council Approval and Emergency Manager Approval through December 31, 2018 – Contract Amount: \$600,780.62

Costs budgeted to 5 different projects, all budgeted to Major Street Fund:

\$186,987.95 (2.02 miles HMA Resurfacing) to Acct. 3301-193340-005517-617901-13641-0-A4570, Appropriation for HMA Resurfacing, JN 119308 includes available funds of \$1,570,300;

\$69,988.70 (83 miles-Overband Crack Seal) to Acct. 3301-193347-005517-617900-13665-0-A4570, Appropriation for 82 Miles Crack Seal, JN 121106 includes funding of \$700,200;

\$197,861.28 (Sidewalk & Ramp Project) to Acct. 3301-193348-0-6178901-13666-0-A4570, Appropriation for Sidewalk Ramp Work, JN 121504 includes available funds of \$2,300,800;

\$49,970.56 (Removal of Livernois retaining wall) to Acct. 3301-193351-005517-617901-13811-0-A4570, Appropriation 13811 NOT LISTED in Budget information; and

\$95,972.13 (Concrete pavement repairs) to Acct. 3301-193352-005517-617901-13812-0-A4570, Appropriation 13812 NOT LISTED in budget information.

Proposals to provide Construction engineering and Inspection Services received from 5 businesses; Proposals were evaluated and scored. This award is for the proposal scored the highest received from Parsons Brinckerhoff Michigan. Subcontractor indicated to be Somat Engineering.

As indicated above, this contract is for the construction engineering and inspection services for 5 projects funded by the U.S. Dept. of Transportation through the State Dept. of Transportation.

Proposals also received from: HNTB Michigan; Hubbell, Roth & Clark; The Mannik & Smith Group; and Giffels-Webster Engineers.

The 5 projects include: 2.02 miles of hot mix asphalt cold milling and resurfacing, including curb, sidewalk and ramps at 3 locations – Evergreen Rd., Lyndon to Grand River; Livernois, Lyndon to Fenkell; and Conant, from E. McNichols to Nevada – Est. cost of \$186,987.95.

83 Miles of overband crack seal on various streets – Est. cost of \$69,988.70.

Concrete curbs, gutter, sidewalk, ADA ramps, driveway approaches at various locations - Est. cost of \$197,861.28.

Contract Review Discussion continues on following page

Dept. of Public Works - *continued*

2884711 100% City (Street) Funding – To Provide Construction Engineering and Inspection Services for Five (5) MDOT Projects – Company: Parsons Brinckerhoff Michigan, Inc., Location: 500 Griswold St., Suite 2900, Detroit, MI 48226-5001 – Contract Period: Upon City Council Approval and Emergency Manager Approval through December 31, 2018 – Contract Amount: \$600,780.62

Continued Contract Review Discussion

Removal of concrete retaining wall on Livernois, south of Kronk, and construction of new pre-cast concrete retaining wall – Est. cost of \$49,970.56.

Concrete pavement repairs and related construction, including curbs, sidewalks, ramps, pavement removal and replacement, at 15 locations City-wide – Est. cost of \$95,972.13.

The total cost estimated at \$600,780.62 indicated to include: \$519,781.73 to Parsons Brinckerhoff, and \$80,996.88 to Somat Engineering. Included in their costs is a fixed fee of \$47,484.64 to Parsons Brinckerhoff and \$7,088.31 to Somat Engineering for their services.

The other costs represent the vendors' costs for labor, overhead, and Expenses.

Covenant of Equal Opportunity Affidavit signed 2-28-14; TAXES: Good Through 8-23-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 3-3-14, indicating business established 1978, no records to disclose; Hiring Policy Compliance Affidavit signed 3-3-14, Employment Application submitted complies.

Other DPW contracts approved with Parsons Brinckerhoff Michigan include:

No. 2889888 (1 of 5 contracts) for electrical design services, geometric design, and Intelligent Transportation System Design services; April 15, 2014 through April 14, 2019 for \$1,000,000; On Public Health and Safety Committee agenda for April 28, 2014.

No. 2881025 for Construction Engineering and Inspection services for 8 MDOT Projects, through December 31, 2017, for \$2,205,236.44; Approved Sept. 17, 2013.

No. 2841740 for Construction Engineering and Inspection services for the Link-Detroit project, extension of bike paths connecting Midtown to Eastern Market and extending Dequindre cut to Mack, through Dec. 31, 2017, for \$1,879,098.91 approved Week of Aug. 26, 2013.

No. 2841463 for Bridge Design, Construction Engineering and Inspection, Material Testing, for 3 years, January 2012 through December 2014 for \$1,000,000, approved Feb. 14, 2012.

ELECTIONS

2790154 100% City Funding – To Furnish Upgrade, Support and Maintenance for the Software used for Polling – Contractor: Konnech, Inc., Location: 4211 Okemos Road, Okemos, MI 48864 – Contract Period: January 1, 2014 through June 30, 2014 – Increase Amount: \$29,625.00 – Contract Amount: \$677,962.08

Extension of Contract for Six (6) Months and Increase in funds. Original contract expired on December 31, 2013

Costs budgeted to General Fund, Acct. 1000-710011-000037-617400-00181-0-A5060, Appropriation for Conduct of Elections includes available funding of \$1,370,864 as of April 25, 2014.

This contract was initially approved April 7, 2009, as a Sole Source contract, for a costs of \$143,492 from Jan. 1, 2009 through Dec. 31, 2009 to provide the maintenance and database support services for the Poll-Worker Management System. The contract provided for the lease of hardware, maintenance and support services of the equipment and software, training and on-site assistance. The software is used to assist with recruiting, managing, training, and assignment of poll-workers; and maintain work history and process payroll. Software include a Poll Location Management System to assist with selection of polling sites, community coordination, reducing confusion at the poll.

The contract included renewals at \$118,500 per year. The contract appears to have been renewed 3 years at \$118,500

Contract costs were increased by \$65,000 in Sept. 2010, to “cover annual costs”; The Contract was renewed for 1 year – January 2013 through Dec. 31, 2013 – for a cost of \$59,250, was approved January 15, 2013. The \$59,250 was indicated to be a 50% reduction in the renewal cost to the City.

This request is for the extension of this contract for 6 months, January 1, 2014 through June 30, 2014, to continue the support services, for a cost of \$29,625; This is indicated to be based on a fee of \$4,937.50 per month.

Contract checklist, dated April 21, 2014, indicates this contract is essential to provide the support and upgrade to existing software; software is also compatible with the State and other municipalities.

Covenant of Equal Opportunity Affidavit signed 1-5-14; TAXES: Good Through 2-27-15 and 8-15-14; Slavery Era Records Disclosure Affidavit signed 1-9-14, indicating business established 2002, no records to disclose; Hiring Policy Compliance Affidavit signed 1-9-14, do not use employment applications, request resumes.

GENERAL SERVICES DEPARTMENT

2842754 100% City Funding – To Provide Fire Apparatus Truck Parts and Service – Contractor: R & R Fire Truck Repair, Location: 751 Doheny Drive, Northville, MI 48167 – Contract Period: June 1, 2014 through May 31, 2015 – Contract Amount: \$200,000.00
This is a Contract Renewal. Original Contract will expire May 31, 2014

Costs originally budgeted to General Fund, Acct. 1000-470060-006004-622100-11831-0-A4510, Appropriation for Inventory Management includes available funding of \$1,512,517 as of April 25, 2014.

This request is for a 1 year renewal of this contract to provide continued repair services, including parts, for Fire Trucks, for a cost of \$200,000.

This contract was approved September 20, 2011 for a term of 3 years, June 1, 2011 through May 31, 2014, for a cost of \$200,000 over the 3-year term. The contract includes options to renew 2 additional years. According to Purchasing, \$141,000 has been used for this contract.

The contract provides parts and repair services, for fire trucks from various manufacturers. The parts and services are available only from limited number of vendors that are authorized by the manufacturers to provide required repair services, in order to protect the warranties provided with the equipment.

The costs quoted by this vendor in their 2011 bid included a mark-up of 15% of 20% from the manufacturers' price lists; Repair services in the Shop at \$68 per hour; Services in the Field at \$75 per hour; Maintenance services at \$68 per hour; and Emergency services at \$90/hr.

These prices indicated to remain the same for the renewal period

Contract checklist, dated April 3, 2014, indicates the renewal of this contract is essential for the continuing repair and maintenance of the City's fire trucks.

Covenant of Equal Opportunity Affidavit signed 10-24-13; TAXES: Good Through 11-1-14 and 12-30-14; Slavery Era Records Disclosure Affidavit signed 10-24-13, indicating business established 1992, no records to disclose; Hiring Policy Compliance Affidavit signed 4-9-14, Employment Application submitted complies.

PUBLIC LIGHTING

2889631 100% City Funding – To Restore Power lines and Replace Potheads and Ancillary Equipment – Notification of Emergency Procurement as Provided by Ordinance No. 15-00 – Basis for the Emergency: Down Power Lines Created Hazardous Conditions – Basis for Selection of Contractor: Currently Doing Work for Public Lighting – Contractor: TMC Alliance LLC, Location: 5671 Trumbull Ave., Detroit, MI 48208 – Contract Period: One Time Purchase – Contract Amount: \$90,900.51

This is an Emergency Contract. Date of Emergency – February 21, 2014

Costs budgeted to General Fund, Acct. 1000-380170-003142-617900-00128-0-SL845, Appropriation for Street Lighting includes available funding of \$1,424,027 as of April 25, 2014.

An Emergency Procurement was requested by Public Lighting on February 21, 2014, due to wind conditions that had caused massive amounts of utility poles and tree branches to fall, taking out power lines and creating hazardous conditions. Public Lighting Dept. no longer has the in-house staff to handle this work. The Dept. requested authorization to obtain the services of TMC Alliance to address the hazardous conditions.

Invoices included in the Purchasing File indicate work performed February 21 through March 1, 2014. Services provided by 2 businesses, Energy Group for \$64,672.75 and LeCam for \$26,227.76.

Processing of this Emergency Procurement was delayed to address concerns raised by Budget Dept.

According to PLD, this vendor was selected because they were currently doing work for PLD.

A previous Emergency Procurement, No. 2886478, was approved with TMC Alliance, on January 21, 2014, for \$250,000 for materials and labor to restore down lines and poles caused by wind storm on Nov. 15 through Nov. 17, 2013; Vendor services required to restore services to Coleman Young Airport and to multiple schools.

Contract checklist, received April 16, 2014, indicates this contract is essential to address damages and prevent power failures.

Covenant of Equal Opportunity Affidavit signed 9-10-13 (for previous contract); TAXES: Good Through 5-30-14 and 12-30-14; Slavery Era Records Disclosure Affidavit signed 9-10-13, indicating business established 2011, no records to disclose; Hiring Policy Compliance Affidavit signed 9-10-13, Employment Application submitted complies.

Public Lighting Department - continues

2891449 100% City Funding – To Furnish Potheads and Accessories – Contractor: T & N Services, Inc., Location: 2940 E. Jefferson, Detroit, MI 48207 – Contract Period: One Time Purchase – Contract Amount: \$152,592.00

Costs budgeted to General Fund, Acct. 1000-380170-003142-617900-00128-0-SL845, Appropriation for Street Lighting includes available funding of \$1,424,027 as of April 25, 2014.

7 Bids solicited, 3 Bids received on Open Market for the purchase of Potheads and accessories.

This award is for the Lowest Bid received from T & N Services.

The purchase includes 4 items: 2 types of potheads for \$5,890 each and \$6,043 each; and cable connectors for \$185 each and \$510 each.

Other bids received include: Hercules & Hercules for \$170,748; and Wright Tool for \$171,048. All bids were on items manufactured by G & W Electric Co. for potheads, aerial lugs and cable connectors.

The pothead is a type of insulated electrical terminal used for transitioning between overhead electrical lines to transformers, or connecting to underground high voltage cable

Contract checklist, received April 7, 2014, indicates this contract is essential to acquire parts to replace worn out parts and parts damaged by cooper thieves, and prevent loss of electricity.

Covenant of Equal Opportunity Affidavit signed 2-20-14; TAXES: Good Through 5-28-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 6-2-10, indicating business established 1984, no records to disclose; Hiring Policy Compliance Affidavit signed 6-15-12, Employment Application submitted complies.

The previous contract for the purchase of Potheads also appears to have been with T & N Services; Contract No. 2819690 was approved in May 2010 for the purchase of 3 different types of potheads, for a cost of \$175,223.55; the contract included options to renew 2 additional years; the 2nd year renewal, through April 30, 2013, was approved in February 2012, with no additional cost to the \$175,223.55 approved in 2010. Cost of the potheads ranged from \$3,637.55 to \$4,213.99.